SUPPLEMENT TO THE AGREEMENT FOR TRANSFER OF RESPONSIBILITIES AND INTERFACES

Between Bechtel Jacobs Company LLC and Lockheed Martin Energy Research Corporation

1.0 PURPOSE AND SCOPE

This Supplement to the Agreement For Transfer of Responsibilities and Interfaces Between Bechtel Jacobs Company LLC (Bechtel Jacobs Company) and Lockheed Martin Energy Research Corporation, dated April 1, 1998 (hereinafter the Agreement), is entered into effective February 1, 1999, by and between the Bechtel Jacobs Company, a limited liability corporation organized and existing under the laws of the State of Delaware, and Lockheed Martin Energy Research Corporation (LMER), a corporation organized and existing under the laws of the State of Delaware. For purposes of this Supplement, Transfer Date is February 1, 1999.

The Department of Energy (DOE) and LMER are parties to Contract No. DE-AC05-96OR22464 (hereinafter the LMER Contract) pursuant to which LMER has management responsibilities for the Oak Ridge National Laboratory. DOE and Bechtel Jacobs Company have entered into Contract No. DE-AC05-98OR22700 (hereinafter the M&I Contract) providing for Bechtel Jacobs Company to assume responsibilities, effective April 1, 1998, for Environmental Management and Enrichment Facilities management (EMEF) at Oak Ridge.

The purpose of this Supplement is to facilitate an orderly transfer of affected personnel, documents, agreements and property pertaining to or associated with Waste Operations and Legacy Waste to Bechtel Jacobs Company, while providing LMER the opportunity and ability to close out various activities which arose prior to February 1, 1999. This Supplement also sets forth roles and responsibilities of the Parties to ensure that neither Party's mission is interrupted or unduly caused interference by the activities covered by this Supplement. Notwithstanding any terms of this Supplement, it is understood and agreed that the terms of the Agreement and the separate Master Agreement for Services Between Lockheed Martin Energy Research Corporation and Bechtel Jacobs Company LLC (MAS) remain in full force and effect. Bechtel Jacobs Company and LMER also agree that the terms of the LMER prime contract with DOE and the Bechtel Jacobs Company prime contract with DOE and the MAS take precedence over this Supplement and the responsibilities set forth herein.

2.0 ASSIGNMENT OF AGREEMENTS

2.1 Subcontracts And Purchase Orders

LMER does hereby assign to Bechtel Jacobs Company as of February 1, 1999, to the extent such rights are assignable, all of its rights, title and interest in the purchase orders, memorandum purchase orders, request for services, subcontracts, or agreements, including sales agreements, and requests for proposals or other solicitations, entered into under the LMER Contract as identified on Attachment 4 to this Supplement, and Bechtel Jacobs Company does hereby accept such assignment and assumes all obligations and liability arising thereunder for subcontractor's services performed on

or after February 1, 1999, subject to LMER's right of access to all documents produced and delivered under any such purchase order, memorandum purchase order, request for services, subcontracts, and agreements as provided in section 4.1 below. LMER shall be responsible for all purchase orders and subcontracts entered into under the LMER Contract and not assigned in this Section.

In order for operations to continue uninterrupted, the Parties recognize that materials, supplies and like items may be purchased by LMER prior to February 1, 1999 and delivered on or after February 1, 1999. Compensation for such items received under these circumstances will be coordinated between the LMER and Bechtel Jacobs Company finance organizations to assure that costs are charged to the appropriate account.

2.2 Software Licenses

LMER does hereby transfer to Bechtel Jacobs Company as of February 1, 1999, to the extent that such rights are transferable, all appropriate rights, title and interest for the use of licensed software and firmware (i) that are contained on personal computers being transferred to Bechtel Jacobs Company, or (ii) were acquired under the LMER Contract with EM funds and are necessary for Bechtel Jacobs Company to perform the EMEF scope of work. Bechtel Jacobs Company hereby agrees to accept such transfer and agrees to the conditions of each license or agreement for the use of proprietary software.

3.0 TRANSFER OF PERSONNEL

LMER hereby transfers the employees identified in Attachment 1 to Bechtel Jacobs Company, and Bechtel Jacobs Company hereby accepts these employees and agrees to employ them under the terms and conditions of the M&I Contract. The hourly employees associated with waste management will not be transferred to Bechtel Jacobs Company at this time, but will remain LMER employees. These hourly employees will be loaned to Bechtel Jacobs Company under a separate loaned employee agreement governed by the MAS until an agreement is reached between the Parties and the Atomic Trades and Labor Council (ATLC) or until other action is taken with regard to these employees. Issues regarding reimbursement for costs that may arise from reductions in the hourly workforce will be determined at a later date.

4.0 TRANSFER OF AND ACCESS TO RECORDS, DOCUMENTS AND DATABASES

4.1 Program Records

Except as provided otherwise herein, LMER shall release to Bechtel Jacobs Company records associated with Waste Operations and Legacy Waste at ORNL, and each Party shall provide the other Party access to all DOE Program records and historical records which are related to or necessary for the effective continuation of any Party's Prime Contract activities. "Program Records" shall mean all documents and information including writings, drawings, graphs, charts, photographs, microfilm or microfiche, or data compilations/databases, whether stored on main or mini-frame computers, personal computers, file servers, on computer networks or any other storage devices, from which information may be obtained or translated if necessary through detection devices or by other means into a reasonably useable form, which were acquired or generated pursuant to the performance of DOE Program work. Program Records shall not include records to the extent they contain (a) privileged (including attorney work product), confidential or proprietary information, (b) a Party's financial and legal information, and correspondence between a Party and a parent corporation or affiliate, (c) internal files relating to a Party's Prime Contract performance, (d) files

involving litigation by or against a Party, (e) personnel files, (f) closeout and transition documents, and (g) Employee Concerns Program Records.

Transfer of Program Records between the Parties shall be accomplished by March 31, 1999.

Where a Party requires access to Program Records, or such other records a Party is entitled to access, which are in another Party's possession or the possession of a subcontractor, the requesting Party shall, on reasonable notice, have access to such records to review and copy as warranted. All Parties shall cooperate on all record requests. All Parties shall provide reasonable access to relevant employees including employees of subcontractors who possess, control or have knowledge of where the records may be located or can provide background information on the "when", "where", "how", and "why" the records were created or stored. No Party shall be required to release documents to another Party which are protected from release by the attorney-client, or work product privilege or applicable law.

Records retention will be in accordance with each Party's Prime Contract, except that the Party managing records that have been identified by another Party as being relevant to litigation shall retain or transfer to the requesting Party such records until receipt of notification in writing that they no longer are needed for litigation purposes.

4.2 Training Records

LMER shall transfer to Bechtel Jacobs Company on February 1, 1999 a paper copy of the training records, and shall provide to Bechtel Jacobs Company read access to the electronic training records database, relating to personnel transferring to Bechtel Jacobs Company. LMER shall retain college education reimbursement records relating to the transferring employees. Bechtel Jacobs Company may purchase training programs from LMER under duly executed Work Authorizations.

4.3 Personnel Records

Pursuant to the authorization and release received from each affected employee, LMER will provide to Bechtel Jacobs Company a copy of the most current Employee Status and Change Authorization form, or its equivalent, from the personnel file of LMER employees who transfer employment to Bechtel Jacobs Company on or after February 1, 1999. LMER will retain all other personnel records and personnel files of LMER employees who transfer employment to Bechtel Jacobs Company.

4.4 Transfer of Classified Documents

On February 1, 1999, LMER shall transfer the care, custody and control of all classified documents, if any, associated with transferred Waste Operations and Legacy Waste, excluding National Security Program Office documents, to Bechtel Jacobs Company, and Bechtel Jacobs Company hereby accepts the care, custody and control of said classified documents in accordance with the terms and conditions of the M&I Contract.

5.0 POST-TRANSFER SERVICES

The Parties agree to continue cooperating to facilitate the transition and to maintain continuity of operations. Requests for assistance or consultations that require more than two (2) hours will be managed as appropriate by Work Authorization under the MAS.

The Parties recognize there will be instances when the other Party will need to enter into each other's facilities for repair and maintenance activities. Each Party commits to work with each other to achieve these necessary activities.

6.0 TRANSFER OF GOVERNMENT-OWNED PERSONAL PROPERTY AND EQUIPMENT

As of February 1, 1999, LMER shall transfer control of certain personal government property to Bechtel Jacobs Company and Bechtel Jacobs Company does hereby accept such transfer and assume all obligations and liability therefore arising on or after February 1, 1999. LMER shall provide to Bechtel Jacobs Company a statement of such property transferred to Bechtel Jacobs Company and to the extent available, the value of each transferred property as of February 1, 1999. The value of such property shall be that value established in accordance with DOE procedures for valuing government property. Within 45 days of February 1, 1999, LMER and Bechtel Jacobs Company shall reconcile the inventory report of all personal property transferred to Bechtel Jacobs Company on February 1, 1999. LMER and Bechtel Jacobs Company shall provide the other Party with access to their respective inventory reports, for the purpose of searching for property which is the responsibility of one but may be in the possession of another. Bechtel Jacobs Company and LMER will utilize standard property management processes in identifying and tracking personal property on any future transactions between the Parties.

7.0 ENVIRONMENTAL REGULATORY REQUIREMENTS, PERMITS AND APPLICATIONS

7.1 Assignment of Resource Conservation and Recovery Act (RCRA) Permits

LMER hereby assigns and transfers to Bechtel Jacobs Company, effective as of February 1, 1999, the RCRA permits identified as TNHW-027, TNHW-010A, and TNHW-097A, where, and to the extent LMER is listed as permittee or co-operator, and Bechtel Jacobs Company does hereby accept such assignment. This Section is not intended in any way to change the status of the DOE with respect to such permits.

7.2 Assignment of Roles and Responsibilities for Hazardous, PCB, Mixed and Radioactive Waste

As of February 1, 1999, the Agreement for Operation of RCRA Treatment, Storage, and Disposal (TSDs) Services Between Bechtel Jacobs Company and LMER, dated March 31, 1998, shall no longer be in effect.

Bechtel Jacobs Company is responsible for the management and disposal of waste generated by research, activities, facilities, or operations managed by LMER for DOE. Bechtel Jacobs Company is responsible for waste pick-up at locations agreed upon by the Parties. LMER is responsible for preparing waste for pick-up that has been characterized and meets the Waste Acceptance Criteria (WAC) established by Bechtel Jacobs Company. LMER is also responsible for preparation of all documentation required to be signed by the waste generator and for meeting all other generator regulatory requirements. LMER shall retain responsibility for the costs and documentation requirements necessary for final transfer of the waste to Bechtel Jacobs Company in accordance with the established WAC. These roles and responsibilities may be further defined by written agreement of the Parties.

Notification of all proposed changes to WAC, including, but not limited to, disposal forms, packaging and labeling for Bechtel Jacobs Company operated waste management facilities (e.g. waste storage units, wastewater treatment plants, sanitary waste landfills, etc.) shall be provided to LMER a minimum of 60 days in advance of proposed implementation date with a statement of the purpose of the WAC modification. For other waste management facilities that may be ultimate storage or disposal facilities for ORNL generated waste, Bechtel Jacobs Company will use its best efforts to provide LMER with advance notification of any WAC changes at those facilities and the reason for those changes, if known to Bechtel Jacobs Company, as well as any additional actions

LMER would have to take for Bechtel Jacobs Company to arrange for the transportation and disposal of ORNL generated waste. The purpose of this notification process is to assure proposed WAC changes have been properly planned for within Office of Science Programs funded operating organizations so as to prevent adverse impacts to ongoing Office of Science Programs missions and operations. Bechtel Jacobs Company and LMER commit to use best efforts to resolve any issues identified by LMER as potentially causing adverse impacts to the Office of Science program operations arising from the proposed changes. If a mutually acceptable resolution cannot be reached within the 60-day implementation time period, the issues will be elevated to the respective DOE Program Managers.

Each party shall ensure that the other party's staff is provided appropriate access to the appropriate data and databases (e.g. WTS, WITS) for evaluation and preparation of reports as required by applicable laws or regulations.

In the event that regulated wastes (i.e., RCRA hazardous waste or regulated PCB waste) in possession of LMER are in jeopardy of exceeding regulatory accumulation times (e.g. 90 day RCRA accumulation time), Bechtel Jacobs Company agrees to provide short-term management of the waste in a permitted unit as long as the waste will not violate the safety envelope of the facility. In the event that other waste (i.e., non-hazardous low level radioactive waste) may jeopardize the health and safety of workers because of storage in laboratories or populated facilities (i.e., ALARA), Bechtel Jacobs Company will provide management of the waste in a storage unit as long as the waste will not violate the safety envelope of the facility. LMER agrees to provide appropriately executed Work Authorization Documents to cover the costs of this storage. In advance of accepting the waste for short term management and storage prior to disposal, LMER shall furnish written documentation (e.g., 2109 request for disposal) to enable Bechtel Jacobs Company to determine whether the waste can be managed without violating the safety envelope of the storage facility. For purposes of this discussion, the safety envelope shall include any requirements set in safety basis documentation that pertains to the facility (e.g. Basis for Interim Operation document, Safety Analysis Report, Operational Safety Requirement Document, etc.) or environmental permits (e.g. RCRA Operating Permits) for the facility. If an issue regarding acceptance of waste for storage arises which cannot be mutually agreed upon, that issue will be elevated to the respective DOE Program Managers.

7.3 Assignment of National Pollutant Discharge Elimination System (NPDES) Permit, Air Quality Compliance and Other Environmental Compliance Roles & Responsibilities

As of February 1, 1999, the Agreement on the Implementation of the National Pollutant Discharge Elimination System (NPDES) Permit, Air Quality Compliance and Other Environmental Compliance Roles and Responsibilities at the Oak Ridge National Laboratory Between Bechtel Jacobs Company LLC and Lockheed Martin Energy Research Corporation shall become effective. See Attachment 2. The purpose of this Agreement is to define roles and responsibilities between Bechtel Jacobs Company and LMER on the implementation of the ORNL Plant NPDES Permit No. TN0002941, issued to DOE by the State of Tennessee on December 6, 1996, and the management of air quality compliance for Bechtel Jacobs Company facilities located at ORNL.

8.0 FINANCIAL ADMINISTRATION

8.1 Payroll

LMER shall process a final payroll through January 31, 1999, for all employees transferring to Bechtel Jacobs Company. LMER shall provide to the Bechtel Jacobs Company Payroll the subject data for vacation accruals, and other payroll related withholdings or liabilities for all transferring employees prior to the first Bechtel Jacobs Company payroll run on February 8, 1999. LMER shall file all appropriate forms applicable to the wages and other compensation paid by it through the date

prior to February 1, 1999. Bechtel Jacobs Company shall file all appropriate forms applicable to the wages and other compensation paid by it on and after February 1, 1999. LMER shall retain on file all W-4 forms provided by former employees. Transferring employees shall file new W-4 forms with Bechtel Jacobs Company. The same information will be provided for any additional personnel transfers to Bechtel Jacobs Company related to this agreement.

8.2 Travel

Bechtel Jacobs Company agrees that it will be responsible for processing and payment of travel expenses (i.e. travel advances, registrations, etc.) incurred by LMER for those former LMER employees whose travel commenced on or after February 1, 1999. Bechtel Jacobs Company will be responsible for reimbursing LMER for all travel expenses for former LMER employees whose travel commenced on or before February 1, 1999, that have not been reconciled with LMER prior to their transfer to Bechtel Jacobs Company. Compensation for such travel expenses will be coordinated between the LMER and Bechtel Jacobs Company finance organizations to assure costs are charged to the appropriate account. LMER will transfer to Bechtel Jacobs Company any unused airline tickets purchased for former LMER employees obtained for official travel with EMEF funds.

8.3 Credit Cards and Procurement Cards

LMER shall cancel all corporate travel and telephone charge cards issued to their employees who are to become employees of Bechtel Jacobs Company effective on February 1, 1999, except for those employees who are currently on travel on February 1, 1999. LMER shall cancel all ACE Procurement cards issued to their employees who are to become employees of Bechtel Jacobs Company effective on February 1, 1999.

9.0 MANAGEMENT OF LEGAL ISSUES

9.1 Garnishments, Liens And Other Court Orders

For those LMER employees who transfer employment to Bechtel Jacobs Company on February 1, 1999, and who have their salaries subject to a garnishment or other court order, LMER shall notify the court issuing such order that it no longer employs such employees and will provide to the court the name and address of Bechtel Jacobs Company as the employer of record for such employees. LMER will also identify to Bechtel Jacobs Company all transferred employees who are subject to a garnishment or other court order.

9.2 Management of Litigation and Claims

After the February 1, 1999, transfer of the waste management efforts to Bechtel Jacobs Company, LMER shall continue to prosecute and/or defend all litigation and claims of any sort, including EEOC cases, worker's compensation cases, unemployment compensation cases, arbitrations and grievances against or in favor of LMER, and Bechtel Jacobs Company shall not succeed to the interest, nor assume the defense or representation of LMER or any of its subcontractors in any such litigation, arbitrations, claims, grievances, or complaints. Bechtel Jacobs Company agrees to make available to LMER their employees that are necessary for LMER to prosecute and/or defend litigation and claims that may arise. LMER agrees to provide a duly executed Work Authorization Document for time requirements in excess of two hours for any employee.

10.0 EMERGENCY RESPONSE

LMER will maintain overall site-wide responsibility for emergency response and will retain the basic equipment, facilities, and staff to perform this activity. The equipment retained by LMER for emergency response is listed in Attachment 3 of this Supplement. LMER will respond to fire and medical emergencies at Bechtel Jacobs Company facilities.

Bechtel Jacobs Company will retain responsibility for immediate response to spills and releases to any media at their facilities and project sites located at ORNL, calling on the ORNL Emergency Response Team for assistance whenever needed to contain spills or releases or respond to other emergency needs. Each Party agrees to immediately notify the other Party of any releases to any media that may cause harm to personnel or damage to equipment or facilities. Only immediate, initial response by the ORNL Emergency Response Team to mitigate the effect of or contain a release will be provided through the site usage fee to Bechtel Jacobs Company. Immediate response is defined as controlling a spill or release from further spreading or impacting workers, the public, or the environment. If an emergency situation exceeds 72 hours, Bechtel Jacobs Company agrees to provide a Work Authorization Document to cover LMER costs for initial response activities beyond 72 hours. Follow-on cleanup decontamination at Bechtel Jacobs Company facilities is solely the responsibility of Bechtel Jacobs Company. Bechtel Jacobs Company can purchase additional follow-on clean up from LMER via a Work Authorization. The equipment needed by Bechtel Jacobs Company to respond to facility-specific needs will be retained by Bechtel Jacobs Company. The equipment retained by Bechtel Jacobs Company is listed in Attachment 3.

Bechtel Jacobs Company will respond to and handle potential explosive and shock-sensitive materials identified by LMER for pickup, transportation and disposal. Bechtel Jacobs Company will retain equipment listed in Attachment 3 in order to manage and transport explosive and shock-sensitive materials.

LMER and Bechtel Jacobs Company will co-occupy the Hazardous Waste Complex to ensure proper storage and ready-availability of emergency response equipment to both companies. LMER will retain two creekside spill response sheds and Building 7666 for storage of the equipment listed in Attachment 3. ORNL will provide storage of the Explosive Material Trailer in Building 7666, if requested by Bechtel Jacobs Company.

Any emergency notification to the Tennessee Emergency Management Agency (TEMA) will be made by ORNL's Laboratory Shift Superintendent's (LSS) Office in accordance with the DOE Oak Ridge Reservation Emergency Plan. In the event of a release or spill from a Bechtel Jacobs Company facility at ORNL, the LSS will make the immediate notifications as defined in Appendix B of REP-IP-117, which do include, when CERCLA reportable quantities are exceeded, the National Response Center, the U.S. Environmental Protection Agency and the Local Emergency Planning Committee. Bechtel Jacobs Company is responsible for any additional or subsequent notifications to regulatory agencies resulting from spills and releases at Bechtel Jacobs Company facilities.

Both companies recognize that successful implementation of this Supplement and response to emergency situations is contingent upon adherence to the DOE Oak Ridge Reservation Emergency Plan and coordination between Bechtel Jacobs Company and LMER, since it is impossible to specify precisely each Party's respective roles and responsibilities. Each Party commits to work with others to effectively and efficiently respond to emergency situations that may arise at ORNL in order that workers, the public and the environment are protected from harm.

11.0 WASTE OPERATIONS CONTROL CENTER

On February 1, 1999, Bechtel Jacobs Company will be responsible for the operation and maintenance of the Waste Operations Control Center (WOCC), located in Building 3130 at ORNL. The WOCC was specifically designed and constructed to house the Data Acquisition System (DAS) that monitors the liquid and gaseous waste management operations. The WOCC receives and monitors on a continuous basis about 320 data signals from different facilities in Bethel and Melton Valleys. The WOCC also contains a Distributed Control System, which allows remote operation and monitoring of the process waste collection tanks and the Low-Level Liquid Waste Collection and Transfer System Facilities.

The DAS also is used to monitor certain experiments and facilities during off-shift that are associated with LMER research and operations. The ORNL Laboratory Emergency Response Center serves as a backup to the WOCC on the data signals that are monitored at the WOCC. After February 1, 1999, under a Work Authorization provided by LMER to Bechtel Jacobs Company, Bechtel Jacobs Company will continue to monitor and respond to those data signals associated with LMER research and operations as agreed upon by the respective LMER facility manager associated with the data signal.

12.0 UTILITIES

In order to establish interfaces for areas of responsibility between LMER and Bechtel Jacobs Company for Bechtel Jacobs Company facilities on the ORNL Site, the following guidelines will be observed:

12.1 Utility Systems Interfaces

Utilities on the ORNL site traverse both Bechtel Jacobs Company and LMER facilities and areas of responsibility. It is imperative that utility services at the ORNL site continue without interruption to avoid compromising ongoing operations. In order to establish interfaces for areas of responsibility between LMER and Bechtel Jacobs Company facilities, LMER and Bechtel Jacobs Company agree to develop guidelines with respect to utility systems (i.e., steam, electrical, water, ventilation and off-gas systems, etc.) within 45 days of signing this Supplement.

12.2 ORNL cell vent and off-gas systems

The LMER interface point with ORNL cell ventilation and off gas systems will be at the locations indicated on schematic drawings of these systems which are maintained by Bechtel Jacobs Company. The reference for the ORNL Cell Ventilation Drawing is: Dwg. Cell Vent 001, Rev. 0. The reference for the ORNL Off Gas System is: Dwg. Off Gas 001, Rev. 0.

12.3 Roads and grounds maintenance

Roads and grounds maintenance in all common areas of ORNL, including paving and sidewalk repairs, snow and ice removal, and mowing, will be the responsibility of LMER. Bechtel Jacobs Company waste management facilities and projects not considered common areas and delineated by fences, ropes and other enclosure systems roads and ground maintenance will be the responsibility of Bechtel Jacobs Company.

13.0 ON-SITE CARRIERS

DOE has procured numerous shielded carriers for on-site use at ORNL and the other Oak Ridge DOE facilities. These carriers are used by various DOE contractors to transport radioactive materials and wastes. It is imperative that these carriers be made available to both Bechtel Jacobs Company and LMER for use in conducting operations on the Oak Ridge Reservation. LMER and Bechtel Jacobs Company agree to develop a set of conditions for the use of on-site carriers within 45 days of February 1, 1999.

14.0 ENTIRE AGREEMENT

This Supplement to the Agreement sets forth the full and complete understanding of the Parties as of February 1, 1999, and, except for the MAS, and those portions of the Agreement not revised herein, it supersedes any and all agreements and representations made or dated prior thereto relating to the subject matter hereof. In the event of any conflict between this Supplement and any of the Attachments hereto, the terms and provisions of this Supplement shall control. In the event of any conflict among the Attachments, the Attachment of the latest date shall control. The Parties recognize that additional matters may be identified which require mutual agreement.

15.0 AUTHORIZED SIGNATURES

The individuals whose signatures appear below hereby certify that they are authorized to sign on behalf of the respective Parties to this Supplement. This Supplement will be executed in quadruplicate, and is not effective until signed by all Parties.

DECHTEL JACOBS COMPANY LLC	
Joseph 7. Nemec President	Date
LOCKHEED MARTIN ENERGY RESEAL	RCH CORPORATION
Richard K. Genung Executive Vice-President	Date 2/16[99

ORNL EMPLOYEES TRANSFERRING TO BECHTEL JACOBS COMPANY

Name Name	Badge	Func. Org.	Project	Notes
Austin, Dennis R.	020250	53	wo	11000
Bailey, Richard D.	026328	32	LW	-
Baity, Susan E.	028842	55	wo	Part-Time
Barton, Patrick T.	015328	53	wo	1 art-rime
Bennett, Houston E.	026193	53	wo	
Bolden, Ramona O.	013883	55	wo	
Brewer, James D.	014827	53	wo	
Bridgeman, Jacqueline A.	024060	31	LW	
Carvin III, Russell T.	029323	53	LW	
Danner, Terrissa A.	026279	58	WO	
Ford, Mark K.	023448	31	LW	-
Forgy Jr., John R.	031978	53	LW	
Gilpin, Jeffrey K.	030221	31	LW	
Hall, Harold J.	009539	53	LW	
Hall, Nancy B.	017000	55	WO	-
Hodges, Frank R.	031917	53	wo	-
Kirkham Sr., Philip S.	033573	32	wo	
Langley, Nathan A.	023162	33	wo	+
Lee, Maurice V.	026169	53	WO	
Lewis, David T.	011874	53	wo	
McClelland, Bradley C.	029031	53	LW	
Maddox, Jeffrey J.	026235	32	WO	
Oakley, Brian D.	031214	32	wo	
Patterson, Charles C.	010225	53	wo	
Peterson, Douglas J.	021078	53	wo	-
Phillips, Joy K.	021013	21		
Plumlee, Vickie L.	030912	55	LW WO	
Poarch, Sandra J.	034182	55		
Price, George D.	008113	53	LW	
Renfro, Cynthia M.	019779	55	WO	
Rudell, Steven T.	029910	32	WO	
Scott, Christopher B.	020081	51	WO	
Simmons, Luther R.	024181		WO	
Smith, Mark A.	029692	32	WO	
Stewart, Randall C.	015965	32	WO	-
Tilford III, Harry	021711	53	WO	
Tyler, Theresa D.		33	WO	ļ
Wesley III, Louis C.	033167	55	LW	
White, Roger L.	030838	31	LW	,
wille, Roger L.	020405	53	LW	

Agreement on the Implementation of the National Pollutant Discharge Elimination System (NPDES) Permit and Air Quality Compliance and Other Environmental Compliance Roles and Responsibilities at the Oak Ridge National Laboratory Between Bechtel Jacobs Company LLC and Lockheed Martin Energy Research Corporation

1.0 PURPOSE AND SCOPE

This Agreement is entered into effective on February 1, 1999, by and between Bechtel Jacobs Company LLC (Bechtel Jacobs Company) pursuant to its contract with the U. S. Department of Energy (DOE), Contract DE-AC05-98OR22700 (the M&I Contract), and Lockheed Martin Energy Research Corporation (LMER), pursuant to its contract with the DOE, Contract DE-AC05-96OR22464 (the LMER Contract), hereafter referred to as the Parties.

This Agreement clarifies roles and responsibilities with respect to implementation of the ORNL NPDES Permit No. TN0002941 (hereinafter the NPDES Permit) issued to the DOE by the Tennessee Department of Environment and Conservation (TDEC), Division of Water Pollution Control, on December 6, 1996. This Agreement also clarifies roles and responsibilities with respect to activities that could impact the compliance status of air emission sources on the ORNL site. Successful implementation of this Agreement depends upon close coordination and consultation between Bechtel Jacobs Company and LMER.

Bechtel Jacobs Company and LMER have entered into a separate Master Agreement For Services (MAS), which specifies the terms and conditions under which the Parties will provide services to each other. As stated in the MAS, in the event of inconsistency, the terms and conditions of the Parties' Prime Contracts shall control. This Agreement is meant to complement the terms and conditions of the MAS with respect to implementation of the ORNL NPDES Permit, and air quality compliance. It is not meant to supersede, revise, or amend the MAS.

The terms of this Agreement shall be revised at such time as (i) either Party's status changes with respect to the NPDES Permit, (ii) either Party's status changes with respect to an air permit, (iii) the responsibilities of LMER under the LMER Contract change or terminate, (iv) the responsibilities of Bechtel Jacobs Company under the M&I Contract change or terminate, or (v) the Work Authorization for services under the MAS between LMER and Bechtel Jacobs Company or other funding arrangements (i.e., site usage fee) are modified or terminated with regard to work scope involving effluent and air-quality sampling and analysis, environmental compliance reporting (i.e., NPDES Discharge Monitoring Reports, NESHAP annual reports, etc.) or other compliance activities. Neither LMER nor Bechtel Jacobs Company shall have responsibilities for implementation of the ORNL NPDES Permit or any air permit beyond the date of termination of their respective Prime contracts with the DOE, except for potential liability for any violation, which occurred prior to termination.

2.0 NPDES - ALLOCATION OF RESPONSIBILITIES

DOE is the owner and operator of all wastewater outfalls listed on the referenced NPDES Permit and as such is listed on the permit as the sole permittee. DOE has programmatic responsibility for certain aspects of facility operation, including but not limited to, providing direction to the Parties with respect to overall implementation of the NPDES Permit, providing for capital expenditures and other funding required to properly operate the facilities in compliance with the NPDES Permit, and developing or approving policies to govern operations at facilities regulated by the NPDES permit.

Bechtel Jacobs Company has responsibility for operation of the following EM facilities and outfalls listed on the NPDES Permit (listed facilities):

- Process Waste Treatment Complex (Nonrad. Wastewater Treatment Plant + 3544 Process Waste Treatment Plant), NPDES Outfall X12, 301
- Melton Valley Collection Tank Facility, (Facility #7961), NPDES Outfalls 084, 085, 284
 (Outfalls 483, 484 have permitting in process)
- Homogeneous Reactor Experiment Area, NPDES Outfalls 087, 283, 384
- Molten Salt Reactor Experiment Area, NPDES Outfalls 080, 082, 282
- Tumulus Facilities I and II in WAG 6, NPDES Outfalls 285, 286, 287
- WAG 6 surface water monitoring, NPDES Outfall 092
- Interim Waste Management Facility in Wag 6, NPDES Outfalls 288, 289, 290, 292, 293, 294
- Oak Ridge Research Reactor Cooling Tower Area, NPDES Outfall 270
- Bethel Valley Storage Tanks, NPDES Outfall 005
- Emergency Waste Basin, NPDES Outfall 086
- 3102 Valve Pit, NPDES Outfall 070
- Valve Pit associated with Surface Impoundments Operable Units, NPDES Outfall 004

Bechtel Jacobs Company responsibilities for the above-listed facilities shall include preparing and submitting budget requests to the DOE to secure proper funding for their operation, conducting those actions required to operate the facilities in compliance with the requirements and permit effluent limitations contained in the NPDES Permit (including collection and analysis of samples), interpretation of compliance requirements and development of associated operational criteria, communicating planned operating schedules (including changes to planned operating schedules) to LMER in a timely manner to facilitate collection of required NPDES effluent samples.

Under a Work Authorization or the site usage fee, LMER will be responsible for collection and analysis of effluent samples required by the NPDES Permit at the listed facilities in accordance with operating schedules communicated by Bechtel Jacobs Company personnel. LMER shall notify Bechtel Jacobs Company line management of any identified noncompliance at one of the listed NPDES outfalls as soon as possible after discovery of the noncompliance (e.g. after receipt of analytical results showing an effluent limitation exceedance). Bechtel Jacobs Company shall be responsible for any occurrence reporting for identified noncompliance at the listed facilities. Under a Work Authorization or the site usage fee, LMER will be responsible for management of associated analytical data and for proper reporting of the data to regulatory agencies in the monthly NPDES Discharge Monitoring Report and any other required reports (e.g. placement of data into the Oak Ridge Environmental Information System, and reporting summary information in the DOE Annual Site Environmental Report).

LMER will be responsible for certain facility operations at the remaining (landlord) outfalls listed in the NPDES permit (i.e. outfalls not listed above). In addition, LMER and Bechtel Jacobs Company have access to areas drained by the other company's storm water outfalls. LMER and Bechtel Jacobs Company will be responsible for conducting their operations throughout the plant site in a

manner that is fully compliant with NPDES Permit requirements and plans such as, but not limited to, the Stormwater Pollution Prevention Plan at these outfalls and to prevent or minimize adverse impact to receiving waters.

LMER will be responsible for development and delivery of site wide NPDES deliverables (e.g. Best Management Practices Plan, Storm Water Pollution Prevention Plan, Radiological Monitoring Plan, Spill Prevention Control and Countermeasures Plan, etc.) to the DOE, incorporating Bechtel Jacobs Company facilities pursuant to a Work Authorization or other funding mechanism. LMER will provide copies of draft plans and documents to Bechtel Jacobs Company for review and concurrence on those portions of the documents associated with Bechtel Jacobs Company activities, prior to providing the documents to DOE for approval and/or transmittal to regulatory agencies. LMER and Bechtel Jacobs Company will be jointly responsible for implementation of DOE approved NPDES Permit related plans and documents, as appropriate and consistent with their Prime Contracts and this Agreement.

Consistent with the M&I Contract, Bechtel Jacobs Company is undertaking activities to investigate and evaluate remedial alternatives for addressing legacy contamination at ORNL. Discharges from certain NPDES outfalls contain contaminants such as mercury from legacy contamination. Bechtel Jacobs Company will provide or make available to LMER results of water quality sampling conducted in Bethel Valley and Melton Valley watersheds that may be required to be reported in the monthly Discharge Monitoring Report.

Under a Work Authorization or the site usage fee, LMER will provide compliance support to Bechtel Jacobs Company for these facilities. This will include maintaining record copies of permit applications, permits, historical records, and other correspondence between the TDEC, DOE, Bechtel Jacobs Company and LMER; maintaining relevant data about each facility, including reporting deadlines, facility operators, and internal inspection reports; and Bechtel Jacobs company will consult with LMER as needed to ensure that these facilities are operated and maintained in accordance with applicable permits and regulations.

3.0 AIR QUALITY COMPLIANCE - ALLOCATION OF RESPONSIBILITIES

DOE is the owner and operator of all air emission sources located at ORNL and is listed on air permits and Title V Operating Permit application as the sole permittee. DOE is responsible for programmatic aspects of facility operation. This includes providing for capital expenditures and other funding required to properly operate air emission sources, providing direction to the Parties for implementing compliance requirements, and developing or approving policies that govern the operation of air emission sources.

Bechtel Jacobs Company is responsible for the following facilities. These facilities are regulated under existing permits, or under existing air pollution control rules.

- 3039 Off Gas and Hot Cell Ventilation, Permit No. 739974P
- NRWTP Air Stripper, Permit No.730489P
- Chemical Detonation Facility, Permit No. 6007
- Process Waste Treatment Plant, Permit No.730468P
- Liquid Waste Solidification Project, Permit No. 043761P
- Equipment Cleaning Facility, Permit No. 027393P
- Other Bechtel Jacobs Company operated sources regulated by 40 C.F.R. 61.Subpart H (minor and grouped point sources)

- Gunite and Associated Tanks, facility #3507
- Old Hydrofracture Facility, facility #7852
- Molten Salt Reactor Experiment Stack, facility #7512
- Bulk Shielding Reactor, facility #3010
- Non-Radionuclide Wastewater Treatment Plant, facility #3608
- Central Radioactive Gas Disposal Facility, facility #3039
- Process Waste Treatment Complex, facility #3544
- Monitored Retrieval Facility Transfer Canal and Dissolver Pit, facility #3505
- Homogeneous Reactor Experiment, facility #7500
- LLLW Solidification Facility, facility #7877
- Central Pumping Station (Tanks T1 and T2), facility #7567
- LLLW Collection Tank WC-20, facility #7569
- Melton Valley Storage Tanks, facility #7830
- Tritium Target Facility, facility #7025
- Other Bechtel Jacobs Company Exempt Sources and Insignificant Activities.

Bechtel Jacobs Company responsibilities for the listed facilities include preparing and submitting budget requests to the DOE to secure funding for their operation, operating those facilities in compliance with the permit and regulatory requirements, and implementing compliance requirements. LMER also discharges gaseous effluents through some of the discharge points associated with the facilities listed above. For those emissions, LMER has the responsibility to assure that all discharges are within levels that allow total emissions to be maintained in compliance with applicable permits and associated permit applications. LMER shall promptly notify Bechtel Jacobs Company of any intent to change, or an inadvertent change, in the quantity or characteristics of gaseous emissions discharged by LMER to the shared facilities.

In addition, the compliance status for the site-wide permit, Fugitive Emission Source, Permit No. 029660P, can be affected by both Bechtel Jacobs Company and LMER activities and will therefore require a cooperative effort to ensure compliance. LMER and Bechtel Jacobs Company will be responsible for conducting activities throughout the plant site in a manner that is compliant with the requirements this permit. LMER will conduct monitoring and reporting required under the air permits and associated permit maintenance activities incorporating Bechtel Jacobs Company facilities pursuant to a Work Authorization or other funding mechanism.

Under a Work Authorization or the site usage fee, LMER will provide compliance support to Bechtel Jacobs Company for these facilities. This will include maintaining record copies of permit applications, permits, historical records, and other correspondence between the TDEC, DOE, Bechtel Jacobs Company, and LMER; maintaining relevant data about each facility, including reporting deadlines, facility operations, internal inspection reports, stack sampling, coordination with analytical services, management of data, and development and submittal of reports required for 40 C.F.R. 61 compliance. Bechtel Jacobs Company will consult with LMER as needed to ensure that these facilities are operated and maintained in accordance with applicable permits and regulations.

4.0 Interactions with Regulatory Agencies

4.1 NPDES and Air

DOE (as permitee) shall have lead responsibility for interactions with regulatory agencies for issues pertaining to the NPDES permit and regulated air emission sources. Bechtel Jacobs Company and LMER shall have joint responsibility for interactions with regulatory agencies pertaining to compliance issues consistent with instructions and guidelines established by the DOE. When issues are identified that

pertain only to the facilities listed in Section 2.0 or 3.0 of this Agreement, Bechtel Jacobs Company shall have lead responsibility in working with the DOE and regulatory agencies for resolution. When issues are identified that pertain to facilities not listed in Section 2.0 or 3.0 of this Agreement, LMER shall have lead responsibility in working with the DOE and regulatory agencies for resolution. When issues are identified that have compliance implications for both Bechtel Jacobs Company and LMER facilities, Bechtel Jacobs Company and LMER shall have joint responsibility in working with the DOE and regulatory agencies for resolution.

Bechtel Jacobs Company and LMER will provide timely notification to one another prior to interactions with regulatory agencies as appropriate. Each Party shall document all interactions with regulatory agencies on issues that could pertain to or impact the other party's operations or activities; copies of such documentation shall be furnished to the other Party in a timely manner.

LMER shall coordinate and make appropriate arrangements for facility inspections by regulatory agencies. LMER shall provide notification to DOE and Bechtel Jacobs Company as soon as possible upon receiving notice of inspections or visits by regulatory agencies, and Bechtel Jacobs Company shall provide notification to the DOE and LMER as soon as possible upon receiving notice of inspections or visits by regulatory agencies.

4.2 WASTE OPERATIONS

Bechtel Jacobs Company shall have lead responsibility for interactions with regulatory agencies for issues pertaining to waste operations. Bechtel Jacobs Company and LMER each have responsibility for interactions with regulatory agencies pertaining to compliance issues associated with their respective waste generation and accumulation areas. When issues are identified that pertain only to Bechtel Jacobs Company waste operations, they shall have lead responsibility in working with the DOE and regulatory agencies for resolution. When issues are identified that have compliance implications for both Bechtel Jacobs Company and LMER facilities or operations, Bechtel Jacobs Company and LMER shall have joint responsibility in working with DOE and regulatory agencies for resolution.

Bechtel Jacobs Company and LMER will provide timely notification to one another prior to interactions with regulatory agencies as appropriate. Each Party shall document all interactions with regulatory agencies on issues that could pertain to or impact the other party's operations or activities; copies of such documentation shall be furnished to the other Party in a timely manner.

LMER and Bechtel Jacobs Company shall jointly coordinate and make appropriate arrangements for sitewide Resource Conservation and Recovery Act (RCRA) inspections by regulatory agencies. LMER shall provide notification to DOE and Bechtel Jacobs Company as soon as possible upon receiving notice of inspections or visits by regulatory agencies, and Bechtel Jacobs Company shall provide notification to the DOE and LMER as soon as possible upon receiving notice of inspections or visits by regulatory agencies.

5.0 DOCUMENT PREPARATION, SIGNATURE, AND SUBMITTAL

Bechtel Jacobs Company and LMER agree to the following matrices for the submittal of documents to the DOE and/or regulatory agencies as required by the NPDES Permit, or other TDEC or EPA regulations. This list in not intended to be all inclusive, but is intended to establish the framework by which compliance related documents will be prepared, signed, and submitted.

DOCUMENT	PREPARER	To The tax native designation	E ATTINI VIII. III III III III III III III III
Permit Applications for DOE EM funded work activities (NPDES, ARAP, Air permits, etc.)	BJC*	BJC	BJC
Permit maintenance fees	LMER	BJC	LMER
NPDES Discharge Monitoring Report	LMER	BJC**	LMER
General NPDES Permit Deliverables (e.g., SPCC, Rad Monitoring Plan, etc.)	LMER	BJC & LMER	LMER
Annual air emissions fee	LMER	BJC	DOE
NESHAPS Annual Report	LMER	BJC	DOE
Correspondence related to other regulatory interactions for DOE EM funded activities	BJC*	BJC & LMER	BJC
RCRA Annual Report	BJC*/LMER	BJC	LMER
RCRA Permit Applications	BJC*	BJC	BJC
RCRA Closure Plans/Certifications	BJC*	ВЈС	BJC
RCRA Post Closure Monitoring Reports	BJC*	ВЈС	BJC

^{*} Work may be performed by LMER under Work Authorizations or other funding mechanism (e.g., usage fee.)
** Bechtel Jacobs will only review information pertaining to noncompliance with permit requirements.

EMERGENCY RESPONSE EQUIPMENT LIST

This attachment outlines the emergency response equipment that will transfer to LMER.

Equipment to Transfer to LMER

Mobile Command Center Van
Gas Cylinder Trailer
Oil Spill on Water Trailer
Oil Spill on Dry Land Trailer
Insured Tow Vehicle (#972)
Associated perishable supplies and maintenance equipment associated with the above equipment

Equipment Retained by Bechtel Jacobs Company

2 RCRA Permitted Drum Handling Trailers
Decontamination Equipment Trailer
Insured Tow Vehicle (#125)
Explosive Material Trailer
Explosives Handing Robot
Robot Trailer

SUBCONTRACTS TO TRANSFER IN SUPPORT OF WASTE MANAGEMENT

SUBCONTRACT, NO.	SUBCONTRACTOR	EXPIRATION	TYPE	SCOPE OF WORK
4500000980	DPRA, Inc.	3/31/99	FP	Technical support to Waste Management
90B-99396 X03	Prism	2/28/99	FP	Support to LGWOS Training Requirements
4500001233	Faye Portable Buildings	11/1/99	FP	Service Portable Toilets
45000011	Faye Portable Buildings	11/1/99	FP	Service Portable Toilets
Г Т 61	Cabletron	7/31/99	FP	Software Maintenance
X-LTT65	Cabletron	6/30/99	FP	Software Maintenance
85X-SV839C	Rod Rodriguez, Inc.	3/31/99	CR	Technical Support for Waste Management
85X-SZ203	Parallax, In.	12/31/98	FP	Provide Radiochemical Support
4500000101	Gutierrez-Palmenberg, Inc.	12/31/98	FP	Waste Management Operations
4500001030	Digital Equipment Corp.	9/30/99	FP	Software Maintenance